



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 4
ATLANTA FEDERAL CENTER
91 FORSYTH STREET
ATLANTA, GEORGIA 30303-8960

JUL 09 2013

John Germany, Esquire
Office of General Counsel
117 West Duval Street, Suite 480
Jacksonville, FL 32202

Re: Jacksonville Ash and Brown's Dump Superfund Alternative Site
Formal Dispute Resolution Response

Dear Mr. Germany:

The purpose of this letter is to respond to Kristina Nelson's letter dated July 30, 2012, invoking formal dispute resolution pursuant to Section XIX of the Consent Decree (CD) for RD/RA entered into by the EPA and the City of Jacksonville in 2008. EPA thanks the City of Jacksonville for the July payment of non-disputed funds, and for putting the remaining amount in escrow pursuant to Paragraph 72 of the CD. We believe that we now have sufficient information to address and correct all remaining concerns regarding the 2009-2010 and 2010-2011 bills.

First, as to both bills, all Site charges by Karen Martin are correct and appropriate. Karen Martin is the Super Job Training Initiative (JTI) coordinator for EPA Headquarters in Washington, DC. Her work at the Ash Sites was always directly related to and for the specific purpose of JTI activities. EPA Headquarters pays for this JTI work via a contract through its Technical Assistance Services (TAS) group. However, her actual travel costs and the travel costs of other EPA employees related to the management and implementation of JTI activities at the Ash Sites are not covered under this contract, and, as such, are billed to the City as a valid response cost. Consequently, the four separate charges for Karen Martin's EPA travel costs to the Jacksonville Ash and Brown's Dump Sites in 2009/2010 are correctly billed to the City.

Freda Lockhart and Carol Monell traveled to Jacksonville to participate in public meetings related to the Remedial Action Kickoff in December 2009. This work was not for JTI purposes and thus was not covered by the TAS contract, but was specifically related to other Site activities and was appropriately billed to the City.

However, JP Morgan Chase purchase card charges by Community Involvement Coordinator, L'Tonya Spencer at both the Jacksonville Ash and Brown's Dump Sites were incorrectly billed to the City. These charges for posters created for and used at JTI meetings should have been paid for by the EPA Headquarters TAS contract. Therefore, \$2,471.18 has been removed from the 2009/2010 bill.

The TechLaw charges at both Sites from 2009/2010 are appropriate. TechLaw was EPA's contractor for activities related to the Community Involvement Coordinator (L'Tonya Spencer). She has reviewed and approved Techlaw's activity at the Sites during this period.

Lastly, as the work progressed from Remedial Design (RD) workplan to Remedial Action (RA) workplan, the Army Corps of Engineers' charges increased. This is because the Corps is EPA's contractor for the oversight of the RA. They spent significant time in 2010/2011 on-Site in a work oversight capacity, which corresponds to the supporting documents submitted along with this letter. As such, the Corps charges are correct and appropriately billed to the City. A summary of your corrected bill is listed below:

	Costs	Indirect Cost	Total
Original Bill (2009-2010)	\$226,315.80		\$226,315.80
Posters (Jacksonville Ash)	\$783.37	\$344.92	-\$1,128.29
Posters (Browns Dump)	\$932.37	\$410.52	-\$1,342.89
Balance Due			\$223,844.62
Original Bill (2010-2011)	\$307,211.41		\$307,211.41
Interest	\$1,856.58		\$1,856.58
Payment (Jacksonville Ash)			-\$190,284.00
Payment (Brown's Dump)			-\$95,372.25
Balance Due			\$23,411.74
Total Balance Due			\$247,256.36

EPA believes that this addresses all issues raised in Ms. Nelson's bill dispute letter. As required by Section XVI, Paragraph 57 of the CD, please remit \$247,256.36 within thirty (30) days of your receipt of this letter which the EPA deems to be seven (7) calendar days from the date of this letter. The check shall be made payable to the Jacksonville Ash Site Special Account or the Browns Dump Alternative Site Special Account referencing the name and address of the party making the payment, and the Site/Spill ID Numbers A4W5 and A496 and the DOJ Case Number 90-11-3-08080. If the amount of the payment is greater than \$10,000, payment shall be made by FedWire Electronic Funds Transfer (EFT). Wire Transfers should be directed to:

Federal Reserve Bank of New York
 ABA = 021030004
 Account = 68010727
 Swiss Address = FRNYUS33
 33 Liberty Street
 New York, NY 10045

Field Tag 4200 of the Fedwire message should read "D 68010727 Environmental Protection Agency".

A copy of the check should also be sent to Ms. Paula V. Painter at the address provided below:

U.S. Environmental Protection Agency
Superfund Enforcement and Information Management Branch
Superfund Division
Sam Nunn Atlanta Federal Center
61 Forsyth Street, S.W.
Atlanta, GA 30303

Furthermore, Section XX, Paragraph 76 of the CD states that stipulated penalties may be assessed in the amount of \$500 per day for the 1st through the 14th day after payment was due, with additional penalties accruing thereafter, through the date full payment is made, or deposited into an escrow account.

If the payment amount identified in this letter is not paid within the time required under the CD, EPA may take further collection efforts, including the referral of this debt to the United States Department of Justice for enforcement and collection. The referral will seek payment of the amount due as provided in the CD, plus accrued interest, stipulated penalties, and enforcement costs, including attorneys' fees, as appropriate.

If there are any questions regarding this bill, please contact Joe Alfano, Remedial Project Manager, at 404-562-8933 or Caroline Philson, Associate Regional Counsel, at 404-562-9588. Please note, unless otherwise advised in writing by the EPA, any communications with the EPA will not relieve you of your obligation to make the required timely payment as provided in this letter.

Sincerely,

Carol Williams
Carol A. Williams, Comptroller
Budget and Finance Branch
Office of Policy and Management

Enclosures:

- 1. 2 SCORPIOS Reports (dated April 1, 2013)**
- 2. Indirect Cost Overview - 65 Fed. Reg. 35339 (May 30, 2000)**

**cc: Jeff Foster
1031 Superior Street
Jacksonville, FL 32254**

**Kristina G. Nelson, Esq.
1650 Margaret St
Suite 302, #258
Jacksonville, FL 32204**

Certified By Financial Management Office
Itemized Cost Summary
BROWN'S DUMP, JACKSONVILLE, FL SITE ID = A4 96
COSTS FROM 07/17/2009 THROUGH 07/16/2010

REGIONAL PAYROLL COSTS	\$17,601.79
HEADQUARTERS PAYROLL COSTS	\$1,443.87
REGIONAL TRAVEL COSTS	\$4,842.04
HEADQUARTERS TRAVEL COSTS	\$2,166.72
INTERAGENCY AGREEMENT (IAG)	
ARMY CORPS OF ENGINEERS (DW96946048)	\$4,867.89
ARMY CORPS OF ENGINEERS (DW96946089)	\$14,844.61
REGIONAL OVERSIGHT CONTRACT (ROC) COSTS	
TECHLAW, INC. (EPW05040)	\$2,621.75
EPA INDIRECT COSTS	\$21,305.42
Total Site Costs:	<u><u>\$69,694.09</u></u>

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Itemized Cost Summary

JACKSONVILLE ASH SITE, JACKSONVILLE, FL SITE ID = A4 W5

COSTS FROM 07/17/2009 THROUGH 07/16/2010

REGIONAL PAYROLL COSTS	\$58,259.15
HEADQUARTERS PAYROLL COSTS	\$3,987.04
REGIONAL TRAVEL COSTS	\$9,295.51
HEADQUARTERS TRAVEL COSTS	\$2,150.82
INTERAGENCY AGREEMENT (IAG)	
ARMY CORPS OF ENGINEERS (DW96945906)	(\$2,671.05)
ARMY CORPS OF ENGINEERS (DW96946049)	\$13,648.64
ARMY CORPS OF ENGINEERS (DW96946090)	\$19,462.74
REGIONAL OVERSIGHT CONTRACT (ROC) COSTS	
TECHLAW, INC. (EPW05040)	\$2,893.80
EPA INDIRECT COSTS	\$47,123.88
Total Site Costs:	<u>\$154,150.53</u>

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Itemized Cost Summary

BROWN'S DUMP, JACKSONVILLE, FL SITE ID = A4 96

COSTS FROM 07/17/2010 THROUGH 07/16/2011

REGIONAL PAYROLL COSTS	\$12,645.90
REGIONAL TRAVEL COSTS	\$2,635.15
INTERAGENCY AGREEMENT (IAG)	
ARMY CORPS OF ENGINEERS (DW96946089)	\$63,522.69
OTHER EXPENDITURES	
JP MORGAN CHASE (B1BK0000003)	\$161.58
RESPONSE ACTION CONTRACT	
BLACK & VEATCH SPECIAL PROJECTS (68-W9-9043)	\$0.96
EPA INDIRECT COSTS	\$39,104.17
Total Site Costs:	\$118,070.45

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Itemized Cost Summary

JACKSONVILLE ASH SITE, JACKSONVILLE, FL SITE ID = A4 W5

COSTS FROM 07/17/2010 THROUGH 07/16/2011

REGIONAL PAYROLL COSTS	\$35,529.25
REGIONAL TRAVEL COSTS	\$4,838.17
ATSDR	
AGENCY FOR TOXIC SUBSTANCES AND DISEASE REGISTRY (ATSDR)	\$5,744.58
INTERAGENCY AGREEMENT (IAG)	
ARMY CORPS OF ENGINEERS (DW96946049)	(\$793.62)
ARMY CORPS OF ENGINEERS (DW96946090)	\$83,032.10
OTHER EXPENDITURES	
JP MORGAN CHASE (B1BK0000003)	\$50.74
RESPONSE ACTION CONTRACT	
BLACK & VEATCH SPECIAL PROJECTS (68-W9-9043)	\$0.08
EPA INDIRECT COSTS	\$60,739.66
Total Site Costs:	\$189,140.96